



**CITY OF BURLINGTON**

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**SCOTT A. SCHRADER**  
Interim Chief Administrative Officer

December 2, 2011

To: Department Heads

From: Scott Schrader, Interim Chief Administrative Officer

Re: Fiscal Year 2013 Budget Development

In order to evaluate the necessity of presenting the City Council and voters with a ballot question seeking an increase in the Property Tax Levy, Departments are directed to develop their respective 2013 General Fund departmental budgets and submit to this office no later than December 14, 2011. Given the lack of appetite of either of the City Council or the voters to support a significant tax increase, department heads are to make every effort to develop budgets that maintain the current level of net funding, **inclusive** of personnel and fringe benefit costs. While it may be practically impossible, please make every effort to mitigate reductions in services that may be necessary. If service reductions are necessary, please clearly identify those services and the potential impact of those reductions. As much information as possible regarding those proposed service reductions should be provided to assist the Board of Finance and the City Council in responding to concerns of their constituents and in the City Council's deliberations.

That being said, we must focus on additional methods to achieve cost effective and efficient operations and implement methods to save. I respectfully request that Departments, as they have done in the past, mitigate pressures on the City real property tax levy by limiting expenses and maximizing revenue to offset City costs, with little to no impact on services to the public. The goal here is to bring your departmental budget requests at or below that adopted for 2012. Please be conservatively realistic when estimating expenditures and revenue. Suggestions of cost savings initiatives, consolidations, service or staff reductions, or improvements in efficiencies are welcomed and appreciated. Programs or initiatives designed to reduce long term costs or improve services but would require an increase in funding in the short term will also be considered. Any new initiatives must be presented and identified within the Department's budget narrative.

The following provides the necessary information to complete 2013 Departmental Budget requests in preparation of the 2013 City Budget. It is my philosophy that the budget development process is designed to educate myself, the City Council and the public on the functions and finances of each department. It also provides a planning document and policy statement for the upcoming fiscal year. To that end, I request that each department submit a departmental narrative delineating the progress on Year 2012 objectives, proposed 2013 fiscal year objectives, internal and external forces impacting the 2012 services and operations of your department, potential and proposed cost containment measures and new programs proposed in your department's budget request. Please provide a cost analysis for any proposed new programs. Each department must also provide updated performance indicators and brief departmental descriptions, which will be incorporated into the budget document. Please also provide a detailed revenue and expenditure break down for each program and/or grant within your department, including personnel and fringe benefit costs.

**Budget Presentation:**

Each department must submit an overall detailed itemized description of revenue, personnel costs, capital equipment expenditures, and operational and contractual expenditures. The City Council has requested the use of standard forms to detail these costs. As such, the standard excel form is located on the computer system. I have provided a completed sample to provide direction. A standard form for personnel and fringe benefit expenses has also been developed and is included. I have provided a completed sample of this form as well. Please break out each position, by program, within your budget, to reflect the proportion of costs associated to that program. Each department must submit detail on requested overtime, temporary, seasonal and part-time employees, if any.

**Personnel Changes:**

All contemplated personnel changes (additions, deletions, upgrades, etc.) must be detailed on the Position Request/Delete Form. It is my intention to significantly limit the number of mid-year personnel changes to be considered by the Board of Finance and the City Council. In order for a personnel change to be considered in the 2013 Budget, a position and duties statement must be completed for new positions or upgrades. All proposed personnel changes must be discussed with the Human Resources Department, to solicit advice and determine if any Collective Bargaining issues or restrictions might apply.

**Information Technology:**

All proposed computer equipment replacements, purchases, including hardware, software, document management projects and copier purchases or replacements must be coordinated through the Information Technology Office. This will allow the IT Office an opportunity to provide advice on optimum configurations and solutions to address your department's needs and coordinate IT initiatives City-wide. This will also help ensure that the proposed purchase conforms to City standards and can be supported by the IT Office. Failure to coordinate proposed computer or software replacements through the IT Office may result in the exclusion of funds for those purposes.

**Capital Improvements**

A three year Capital Improvement budget must be developed by each Department. This budget must contain all proposed Capital Expenditure and Capital Revenue, including Federal, State or private grants or aid, user fees and/or assessments, and any borrowing, whether it be General Obligation Bond, revenue supported General Obligation Bond or other. Any Capital Improvement Projects and capital vehicle purchases, including Capital Financing of same must be developed in coordination with the Department of Public Works. Any Capital Improvement Projects involving Information Technology Improvements must be developed in coordination with the Information Technology Office.

Thank you in advance for your cooperation and assistance. Please contact either Rich Goodwin or myself if clarification or assistance is needed.

## 2013 BUDGET INSTRUCTIONS

### General Instructions

The Clerk/Treasurer's Office has prepared Excel files for the FY 2013 budget that will be posted on the City shared drive. If you do not have access to the share drive please contact Rich Goodwin or Claire Shepard, and they will send you the files. All files to be used when submitting budget requests can be accessed by all individuals responsible for budget preparation through the shared drive.

Each respective budget file contains numerous worksheets depicting each level of budgetary reporting, ranging from the most summary level to the most detailed level. The worksheets are linked so that the data entered in the most finite "Object Code" level will automatically be compiled to the higher level summary levels. It will not be necessary to enter data in the multiple levels. Departments will only enter information within the requested column for each expense and revenue within the Base Expense Object and Base Revenue Object worksheets. Please contact Rich Goodwin or Claire Shepard if additional accounts types are needed. We have designed the sheets to allow you to input the FY13 request, and the difference from FY12 amended budget will be calculated automatically.

### **Personnel Data**

The Clerk/Treasurer's Office and the Payroll department will be updating the listing of authorized positions, incumbents, grades and steps projected to be in effect on 6/30/12. Please review this listing and make corrections and updates as appropriate. The updated listing will automatically update the expenditure data for each account. The Personnel Data will be put on the share drive as soon as it becomes available.

### **Budget Detail**

In addition to the above, Departments shall complete an **itemized** listing of all objects of revenue and expense. For the object of expense "Maintenance Contracts", please list each agreement (firm and purpose) with the dollar amount requested, then total for this object of expense. This instruction is applicable for all objects of expense and revenue.

As a reminder:

1. All computer equipment and software requests and document management systems (copiers and systems) must be submitted and reviewed by the Information Technology Office prior to its inclusion in the 2013 Budget Requests by Departments.
2. All requests for new positions, upgrades, or title changes must be submitted to the Human Resources Department utilizing the Position Request/Delete Form included. It will be the responsibility of the Human Resources Department to approve the applicable Position Duties Statement and job description, determine classification, title and grade. The Human Resources Department must sign-off on these requests for them to be considered.

3. All requests for new automobiles must be discussed with the Public Works Department for their input and written recommendation.
4. All requests for new capital equipment must be itemized and detail whether it is a replacement of existing equipment or a new item.
5. Requests for Temporary, Seasonal, or Part-time positions must be delineated on the forms and in the format provided.
6. Provide a Budget Narrative for each of the programs within your Department. This narrative shall include a summary of progress on 2012 goals and objectives, anticipated 2013 goals and objectives, major impacts, initiatives and changes proposed for 2013 and a detailed description of significant changes of objects of expense or revenue from FY 2012.
7. Do not place capital expenditures (greater than \$5,000) for fixed assets in operational object codes. All capital expenditures must be in code 739\*\*.
8. Do not record transfers from or to departments in any other codes then 72\*\*\* for expense and 49\*\*\* for revenues.
9. Also provide:
  1. Department Description
  2. Organizational Chart
  3. Department Narrative
    - a. Objectives for 2013
    - b. Progress on 2012 objectives
    - c. Internal and external forces impacting 2013 services and operations
    - d. Cost containment review (if any)
    - e. New program proposals (if any)
  4. Performance Indicators
  5. Position Request/Deletion packet (if any)
  6. Itemized detail of Objects of Revenue and Expense.
  7. All other applicable forms  
(Seasonal, Temp. and PT positions)  
(Overtime Request)

Please send a notification that the budget has been entered in the Shared Drive and return an electronic file of all other information to Claire Shepard, Rich Goodwin and Scott Schrader. No paper copies need to be submitted.

## **PROPOSED BUDGET REVIEW AND APPROVAL SCHEDULE**

November 25	Budget guidelines and materials provided to Departments
December 14	Departments complete submission of a level net funded General Fund Budget
December 19 to January 9, 2012	Board of Finance review of Departmental submittals
January 9, 2012	Board of Finance recommendation to the Mayor and City Council on Budget and ballot item (as appropriate)
December 23	Departments complete submission of Budgets for Special Revenue and Enterprise Funds
January 23	Last day for City Council to approve ballot item requesting authority to increase Real Property Tax Rate
March 14	Internal review of preliminary budgets completed
March 19 – May 31	Review of Budgets by Finance Board
April 28	Final review and update of budget requests
May 19	Final draft of Mayor's budget
June 5	Release of Mayor's Final Budget